

**ORDER**

U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

24  
5/1/93/Full  
EA 4405.4A

**Eastern Region  
Jamaica, NY 11430**

cc: *all branches*  
1/29/93

**REQUIREMENTS FOR OBTAINING CONTRACTING OFFICER WARRANTS  
SUBJ: FOR LOGISTICS MANAGEMENT SPECIALISTS**

1. **PURPOSE.** This order establishes the minimum criteria used by the Logistics Division, AEA-50, when issuing contracting officer warrants of \$10,000 and \$25,000 to senior Logistics Management Specialists (LMSs), GS-346-9 and above, in the Eastern Region. Also, it will aid Airway Facilities Division management to keep track of their sector offices' LMS progress in attaining the training or level of experience required to obtain or increase contracting officer warrants.
2. **DISTRIBUTION.** This order is distributed to the branch level and above in the Regional Headquarters and to all Eastern Region Airway Facilities Sector Offices.
3. **CANCELLATION.** Order EA 4405.4 is cancelled.
4. **BACKGROUND.** The Eastern Region has an LMS in the following Airway Facilities Division Sector Offices: Shenandoah, New York Center, Pittsburgh, Washington Center, Susquehanna, Capital, Metro, Norfolk, Empire and Tri-State. Each LMS in the foregoing Sector Offices shall be delegated contracting authority upon their successful fulfillment of the responsibilities and training or level of experience requirements set forth below.
5. **RESPONSIBILITIES.**
  - a. The Acquisition Authority Review Committee (AARC) is hereby established. This committee is comprised of the Manager, Acquisition Management Branch, AEA-55, and the branch's two section supervisors and Procurement Analyst. The AARC is responsible for determining the degree of expertise and capabilities of the LMSs to perform Contracting Officer duties. The AARC's periodic evaluations of LMSs performance of Contracting Officer duties determine their suitability in the performance of these duties and also determine whether Contracting Officer warrants for \$10,000 and \$25,000 should be established, increased or revoked. Acquisition functions performed by LMSs are monitored by AEA-55 to ensure compliance with federal acquisition regulations and avoid system abuse/fraud.
  - b. The Airway Facilities Division, AEA-400, shall coordinate the enrollment in training courses and shall secure the necessary quota with AEA-50, to adequately administer this program. The

issuance of the contracting officer warrants equates to AEA-400's commitment to ensure:

(1) Delegation of Contracting Officer responsibilities is not used to circumvent established Headquarters, Eastern Region, and federal policies and procedures; and,

(2) LMSs serve as contracting officers for their sector **ONLY** - deviations to this policy must be approved in advance by AEA-55.

c. Sector Managers shall:

(1) Provide LMSs with the necessary time to acquire requisite skills to obtain or maintain the contracting officer warrants (\$10,000 and \$25,000).

(2) Ensure that contracting officers abide by Eastern Region policies and federal acquisition regulations to preclude the revocation of their warrants.

(3) Ensure LMSs are not assigned the duties of both preparing Procurement Requests and issuing Purchase Orders. Procurement Requests shall be issued by other employees who have access to the System for Acquisition Management (SAM), preferably those assigned logistics duties.

d. LMSs shall only perform the functions of contracting officer once he or she receives contracting officer warrants.

NOTE: The issuance of the contracting officer warrants limits the sector's overall use of Standard Form 44, Purchase Order-Invoice Voucher, to EMERGENCY situations. Further guidance in this regard will be provided by AEA-55 when needed.

## 6. TRAINING AND EXPERIENCE REQUIREMENTS

a. **\$10,000 Contracting Officer Warrant.** The AARC shall, on a case-by-case basis, determine if a particular LMS is capable of performing contracting officer functions before issuing this warrant. The warrant may be revoked by the AARC if it is determined that duties are not being performed in accordance with federal regulations or if an abuse of the system is detected. The AARC will participate in periodic logistics functions evaluations of the sectors and assess the LMSs' performance of Contracting Officer duties. Upon successful completion of the following FAA Academy funded training courses the warrant will be awarded. Requests for waivers or substitutions to the courses shall be made in writing to AEA-50:



(1) **Federal Contracting (Course Number 07873)**. This course concentrates on the fundamentals of Federal contracting including source of authority for Federal contracting; authority and limitations on contracting officers' actions; acquisition planning; definition and use of specifications, work statements, and purchase descriptions; Procurement Request content; use of sealed bids; contract types; acceptance, rejection, types of contracts; solicitation content; evaluation criteria; competitive range; the negotiation process; small business and labor surplus area program; and the 8(a) program.

(2) **Service Contracting (Course Number 07863)**. This course provides the LMSs with knowledge and practical skills needed for services contracting. Major topical areas include legal requirements and restrictions for services contracting; OMB Circular A-76; statements of work, cost estimates, and A-76 cost comparisons; labor standards and procedures; and the services contract act.

(3) **Construction Contracting (Course Number 07851)**. This course explores the intricacies of federal construction contracting. It discusses project planning/new construction/rehabilitation/repair/alterations; types and uses of specifications; developing the solicitation; bid/proposal evaluation; establishing progress schedules; construction sequencing and award; labor compliance reviews; interpreting specifications and drawings; inspection and acceptance; changes and equitable adjustments; liquidated damages; disputes; subcontracts; surety actions; and terminations.

(4) **Small Purchases (Course Number 07864)**. This course provides LMSs with detailed instruction on aspects of purchasing in the open market and ordering from established sources. Major topical areas include what constitutes a small purchase; acquisition planning; requirements and procedures for procurement from established sources; publicizing the requirement; competition under the competition in contracting act (CICA); use of oral/written solicitations; evaluating quotations; price analysis; negotiation with vendors; award and documentation; use of SF-44s and Blanket Purchase Agreements (BPAs); administration and follow-up of purchase and delivery orders; and modifications, termination and cancellation of purchase agreements.

(5) **Introduction to Federal Acquisition Regulations (Course Number 07867)**. This course covers all FAR subchapters, highlights significant new coverage and changes, and explores pending developments. Major areas discussed are: history and development of the FAR, the FAR system (administration and organizational structure), agency implementation/supplementation, numbering system, cross-referencing, impact of FAR on federal acquisition policies/procedures, acquisition planning, contracting methods/types/general requirements, contract management, clauses and forms, the competition in contracting act, pending changes to the regulation, and legislative initiatives.

(6) **LMS Delegation of Authority (Course Number 91067)**. After the above five courses have been successfully completed, LMSs must complete this 40-hour on-the-job training. This course is arranged, designed and conducted at the regional office. The course teaches LMSs how to apply all the regulations to local policies and transfer the information into SAM. Successful completion of this course is decided by the members of the AARC.

b. **\$25,000 Contracting Officer Warrant**. LMSs that have been issued a \$10,000 warrant shall comply with the following criteria before receiving the \$25,000 Contracting Officer warrant:

(1) At least one year experience exercising acquisition authority at the \$10,000 level.

(2) Successful completion of an evaluation of acquisition practices by the AARC with no major discrepancies or more than five minor discrepancies. A major discrepancy is defined as an instance in which LMSs knowingly circumvent the Acquisition Process to award a particular contract.

(3) Completion of a 40-hour advanced acquisition training course. See (4)(a) through (4)(h) below.

(4) Once the \$25,000 warrant is issued, currency must be maintained by successfully completing 40 hours of training every two years. Waivers to this requirement and course equivalency requests shall be made in writing to AEA-50. Suggested FAA Academy courses are as follows:

- (a) Contracting by Negotiation - Course Number 07859
- (b) Cost and Price Analysis - course Number 07034
- (c) Contract Administration - Course Number 07022
- (d) Government Contract Law - Course Number 07607
- (e) Advanced Procurement Management - Course Number 07035

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07860 (f) Statement of Work Specifications Preparation - Course Number

(g) Formal Source Selection Procedures for Major Acquisitions -Course  
Number 07868

(h) Advanced Contract Administration - Course Number 07033

7. APPROVAL OR DISAPPROVAL OF CONTRACTING OFFICER WARRANTS.

a. The AARC shall base the recommendation to issue \$10,000 or \$25,000 Contracting Officer warrants on the results of the evaluation of the LMS's performance of logistics functions.

b. In the event the AARC decides not to award the initial \$10,000 Contracting Officer warrant or increase an existing \$10,000 warrant to \$25,000, a reevaluation of the LMS's performance of logistics functions will be performed within a one-year period.

  
Daniel J. Peterson  
Regional Administrator